



General Assembly

Amendment

February Session, 2016

LCO No. 3647



Offered by:

REP. TERCYAK, 26th Dist.

SEN. GOMES, 23rd Dist.

To: House Bill No. **5378**

File No. 235

Cal. No. 178

"AN ACT CONCERNING THE STANDARD RATE OF WAGES."

1 Strike everything after the enacting clause and substitute the
2 following in lieu thereof:

3 "Section 1. Section 31-57f of the general statutes is repealed and the
4 following is substituted in lieu thereof (*Effective October 1, 2016*):

5 (a) As used in this section: (1) "Required employer" means any
6 provider of food, building, property or equipment services or
7 maintenance listed in this subdivision whose rate of reimbursement or
8 compensation is determined by contract or agreement with (A) the
9 state or any state agent, or (B) the Connecticut Airport Authority: [(A)]
10 (i) Building, property or equipment service companies; [(B)] (ii)
11 management companies providing property management services;
12 and [(C)] (iii) companies providing food preparation or service, or
13 both; (2) "state agent" means any state official, state employee or other
14 person authorized to enter into a contract or agreement on behalf of
15 the state; (3) "person" means one or more individuals, partnerships,

16 associations, corporations, business trusts, legal representatives or
17 organized groups of persons; (4) "building, property or equipment
18 service" means any janitorial, cleaning, maintenance, security or
19 related service; (5) "prevailing rate of wages" means the hourly wages
20 paid for work performed within the city of Hartford under the
21 collective bargaining agreement covering the largest number of hourly
22 nonsupervisory employees employed within Hartford County in each
23 classification established by the Labor Commissioner under subsection
24 (e) of this section, provided the collective bargaining agreement covers
25 no less than five hundred employees in the classification; (6)
26 "prevailing rate of benefits" means the total cost to the employer on an
27 hourly basis for work performed within the city of Hartford, under a
28 collective bargaining agreement that establishes the prevailing rate of
29 wages, of providing health, welfare and retirement benefits, including,
30 but not limited to, (A) medical, surgical or hospital care benefits; (B)
31 disability or death benefits; (C) benefits in the event of unemployment;
32 (D) pension benefits; (E) vacation, holiday and personal leave; (F)
33 training benefits; and (G) legal service benefits, and may include
34 payment made directly to employees, payments to purchase insurance
35 and the amount of payment or contributions paid or payable by the
36 employer on behalf of each employee to any employee benefit fund; (7)
37 "employee benefit fund" means any trust fund established by one or
38 more employers and one or more labor organizations or one or more
39 other third parties not affiliated with such employers to provide,
40 whether through the purchase of insurance or annuity contracts or
41 otherwise, benefits under an employee health, welfare or retirement
42 plan, but does not include any such fund where the trustee or trustees
43 are subject to supervision by the Banking Commissioner of this state or
44 of any other state, or the Comptroller of the Currency of the United
45 States or the Board of Governors of the Federal Reserve System; and
46 (8) "benefits under an employee health, welfare or retirement plan"
47 means one or more benefits or services under any plan established or
48 maintained for employees or their families or dependents, or for both,
49 including, but not limited to, medical, surgical or hospital care
50 benefits, benefits in the event of sickness, accident, disability or death,

51 benefits in the event of unemployment, retirement benefits, vacation
52 and paid holiday benefits, legal service benefits or training benefits.

53 (b) On and after July 1, 2000, the wages paid on an hourly basis to
54 any employee of a required employer in the provision of food,
55 building, property or equipment services provided to the state
56 pursuant to a contract or agreement with the state or any state agent or
57 the Connecticut Airport Authority, shall be at a rate not less than the
58 standard rate determined by the Labor Commissioner pursuant to
59 subsection (g) of this section.

60 (c) Any required employer or agent of such employer that violates
61 subsection (b) of this section shall pay a civil penalty in an amount not
62 less than two thousand five hundred dollars but not more than five
63 thousand dollars for each offense. The contracting department of the
64 state that has imposed such civil penalty on the required employer or
65 agent of such employer shall, within two days after taking such action,
66 notify the Labor Commissioner, in writing, of the name of the
67 employer or agent involved, the violations involved and steps taken to
68 collect the fine.

69 (d) The Labor Commissioner may make complaint to the proper
70 prosecuting authorities for the violation of any provision of subsection
71 (b) of this section.

72 (e) For the purpose of predetermining the standard rate of covered
73 wages on an hourly basis, the Labor Commissioner shall establish
74 classifications for all hourly nonsupervisory employees based on the
75 applicable occupation codes and titles set forth in the federal Register
76 of Wage Determinations under the Service Contract Act of 1965, 41
77 USC 351, et seq., provided the Labor Commissioner shall classify any
78 individual employed on or before July 1, 2009, as a grounds
79 maintenance laborer or laborer as a janitor, and shall classify any
80 individual hired after July 1, 2009, performing the duty of grounds
81 maintenance laborer, laborer or janitor as a light cleaner, heavy
82 cleaner, furniture handler or window cleaner, as appropriate, [The]

83 and shall classify any individual employed on and after July 1, 2016, as
84 a housekeeping aide as a light cleaner. The Labor Commissioner shall
85 then determine the standard rate of wages for each classification of
86 hourly nonsupervisory employees which shall be (1) the prevailing
87 rate of wages paid to employees in each classification, or if there is no
88 such prevailing rate of wages, the minimum hourly wages set forth in
89 the federal Register of Wage Determinations under the Service
90 Contract Act, plus (2) the prevailing rate of benefits paid to employees
91 in each classification, or if there is no such prevailing rate of benefits, a
92 thirty per cent surcharge on the amount determined in subdivision (1)
93 of this subsection to cover the cost of any health, welfare and
94 retirement benefits or, if no such benefits are provided to the
95 employees, an amount equal to thirty per cent of the amount
96 determined in subdivision (1) of this section, which shall be paid
97 directly to the employees. The standard rate of wages for any
98 employee entitled to receive such rate on or before July 1, 2009, shall
99 not be less than the minimum hourly wage for the classification set
100 forth in the federal Register of Wage Determinations under the Service
101 Contract Act plus the prevailing rate of benefits for such classification
102 for as long as that employee continues to work for a required
103 employer.

104 (f) Required employers with employees covered by collective
105 bargaining agreements which call for wages and benefits that are
106 reasonably related to the standard rate of wages shall not be
107 economically disadvantaged in the bidding process, provided the
108 collective bargaining agreement was arrived at through arms-length
109 negotiations.

110 (g) (1) The Labor Commissioner shall, in accordance with subsection
111 (e) of this section, determine the standard rate of wages for each
112 classification on an hourly basis where any covered services are to be
113 provided, and the state agent empowered to let such contract shall
114 contact the Labor Commissioner at least ten days prior to the date such
115 contract will be advertised for bid, to ascertain the standard rate of
116 wages and benefits and shall include the required number of hours

117 necessary for the performance of such contract and the standard rate of
118 wages and benefits on an hourly basis for all classifications of
119 employment in the proposal for the contract and shall include a
120 worksheet, in a form prescribed by the commissioner, listing the cost
121 details of such required number of hours. The standard rate of wages
122 [on an hourly basis] and benefits shall, at all times, be considered the
123 minimum rate for the classification for which it was established.

124 (2) Each required employer shall indicate in a proposal for a
125 contract or agreement with the state or any state agent or the
126 Connecticut Airport Authority for the provision of food, building,
127 property or equipment service whether the employees providing such
128 food, building, property or equipment service are covered by collective
129 bargaining agreements and, if so, such required employer shall
130 provide a copy of such collective bargaining agreements to the state or
131 state agent or the Connecticut Airport Authority.

132 (h) Where a required employer is awarded a contract to perform
133 services that are substantially the same as services that have been
134 rendered under a predecessor contract, such required employer shall
135 retain, for a period of ninety days, all employees who had been
136 employed by the predecessor to perform services under such
137 predecessor contract, except that the successor contract need not retain
138 employees who worked less than fifteen hours per week or who had
139 been employed at the site for less than sixty days. During such ninety-
140 day period, the successor contract shall not discharge without just
141 cause an employee retained pursuant to this subsection. If the
142 performance of an employee retained pursuant to this subsection or
143 section 4a-82 is satisfactory during the ninety-day period, the successor
144 contractor shall offer the employee continued employment for the
145 duration of the successor contract under the terms and conditions
146 established by the successor contractor, or as required by law. The
147 provisions of this subsection shall not apply to any contract covered by
148 section 31-57g or subsections (n) and (o) of section 4a-82.

149 (i) Each required employer subject to the provisions of this section

150 shall (1) keep, maintain and preserve such records relating to the
151 wages and hours worked by each employee and a schedule of the
152 occupation or work classification at which each person is employed
153 during each work day and week in such manner and form as the Labor
154 Commissioner establishes to assure the proper payments due to such
155 employees, and (2) [annually] monthly or upon written request,
156 submit to the contracting state agent or the Connecticut Airport
157 Authority by mail, electronically or in such other manner as prescribed
158 by such state agent or the Connecticut Airport Authority, a certified
159 payroll [which] that shall consist of a complete copy of such records
160 accompanied by a statement signed by the employer which indicates
161 that (A) such records are correct, (B) the rate of wages paid to each
162 employee is not less than the standard rate of wages required by this
163 section, (C) such employer has complied with the provisions of this
164 section, and (D) such employer is aware that filing a certified payroll
165 which it knows to be false is a class D felony for which such employer
166 may be fined not more than five thousand dollars or imprisoned not
167 more than five years, or both. Notwithstanding the provisions of
168 section 1-210, the certified payroll shall be considered a public record
169 and every person shall have the right to inspect and copy such record
170 in accordance with the provisions of section 1-212. The provisions of
171 subsections (a) and (b) of section 31-59, section 31-66 and section 31-69
172 which are not inconsistent with the provisions of this section shall
173 apply. Any person who files a false certified payroll in violation of
174 subdivision (2) of this subsection shall be guilty of a class D felony for
175 which such person may be fined not more than five thousand dollars
176 or imprisoned not more than five years, or both.

177 (j) This section shall not apply to contracts, agreements or grants
178 which do not exceed forty-nine thousand nine hundred ninety-nine
179 dollars per annum.

180 (k) On receipt of a complaint for nonpayment of the standard rate of
181 wages, the Labor Commissioner, the Director of Wage and Workplace
182 Standards and wage enforcement agents of the Labor Department shall
183 have power to enter, during usual business hours, the place of

184 business or employment of any employer to determine compliance
185 with this section, and for such purpose may examine payroll and other
186 records and interview employees, call hearings, administer oaths, take
187 testimony under oath and take depositions in the manner provided by
188 sections 52-148a to 52-148e, inclusive. The commissioner or the
189 director, for such purpose, may issue subpoenas for the attendance of
190 witnesses and the production of books and records. Any required
191 employer, an officer or agent of such employer, or the officer or agent
192 of any corporation, firm or partnership who wilfully fails to furnish
193 time and wage records as required by law to the commissioner, the
194 director or any wage enforcement agent upon request or who refuses
195 to admit the commissioner, the director or such agent to a place of
196 employment or who hinders or delays the commissioner, the director
197 or such agent in the performance of any duties in the enforcement of
198 this section shall be fined not less than twenty-five dollars nor more
199 than one hundred dollars, and each day of such failure to furnish time
200 and wage records to the commissioner, the director or such agent shall
201 constitute a separate offense, and each day of refusal of admittance, of
202 hindering or of delaying the commissioner, the director or such agent
203 shall constitute a separate offense.

204 (l) Notwithstanding subsection (j) of this section, any employer that
205 pays the state or the Connecticut Airport Authority for a franchise to
206 provide food preparation or service, or both, for the state or the
207 Connecticut Airport Authority shall be required to certify that the
208 wages and benefits paid to its employees are not less than the standard
209 rate established pursuant to this section, provided, if no prevailing rate
210 of wages or benefits was in effect at the time the state or the
211 Connecticut Airport Authority entered into a franchise agreement,
212 then the employer shall not be required to pay the prevailing rate of
213 wages or benefits during the life of the agreement, unless the
214 agreement is amended, extended or renewed.

215 (m) The Labor Commissioner may adopt regulations, in accordance
216 with chapter 54, to carry out the provisions of this section.

217 (n) The provisions of this section and any regulation adopted
218 pursuant to subsection (m) of this section shall not apply to any
219 contract or agreement entered into before July 1, 2000."

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2016	31-57f